

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)) Chapter 11
))
FTX TRADING LTD., et al. ¹)) Case No. 22-11068 (JTD)
))
))
Debtors.)) (Jointly Administered)
))
)) Objection Deadline: N/A
)) Hearing Date: N/A
))
)) Ref. Docket Nos. 481, 482 & 680

**MOTION FOR AN ORDER GRANTING THE COMMITTEE LEAVE AND PERMISSION
TO FILE THE REPLY OF THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS TO OBJECTION OF THE UNITED STATES TRUSTEE TO THE
APPLICATION FOR AN ORDER AUTHORIZING THE RETENTION AND
EMPLOYMENT OF FTI CONSULTING, INC. AS FINANCIAL ADVISOR
TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

The Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) hereby submits this motion (this “Motion”) for the entry of an order, substantially in the form attached hereto as Exhibit A (the “Proposed Order”), pursuant to Rule 9006-1(d) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), granting the Committee leave and permission to file the *Reply of the Official Committee of Unsecured Creditors to Objection of the United States Trustee to the Application for an Order Authorizing the Retention and Employment of FTI Consulting, Inc. as*

¹ The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification number is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

Financial Advisor to the Official Committee of Unsecured Creditors (the “Reply”). In support of this Motion, the Committee respectfully states as follows:

1. On November 11 and November 14, 2022, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “Bankruptcy Code”). The Debtors continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Joint administration of the Debtors’ cases (the “Chapter 11 Cases”) was authorized by the Court on November 22, 2022 [Docket No. 128].

2. On January 11, 2023, the Committee filed the *Application for an Order Authorizing the Retention and Employment of FTI Consulting, Inc. as Financial Advisor to the Official Committee of Unsecured Creditors Effective as of December 22, 2022* [Docket Nos. 481 (redacted) and 482 (sealed)] (the “Application”). The Application was originally scheduled to be heard on February 8, 2023, but was adjourned to February 15, 2023 at 10:00 a.m. (ET) (the “Hearing”) to afford the Committee additional time to continue to work diligently with the Office of the United States Trustee for Region 3 (the “U.S. Trustee”) to try to resolve the U.S. Trustee’s then-informal response to the Application. The deadline to object to the Application was January 25, 2023 at 4:00 p.m. (ET) (the “Objection Deadline”), which deadline was extended to February 9, 2023 at 12:00 p.m. (ET) for the U.S. Trustee (the “Extended Objection Deadline”). On February 9th, the U.S. Trustee filed an objection to the Application [Docket No. 680] (the “Objection”).

3. Pursuant to Local Rule 9006-1(d), reply papers “may be filed by 4:00 p.m. prevailing Eastern Time the day prior to the deadline for filing the agenda.” Since the agenda for the Hearing is due to be filed on February 13, 2023 at 12:00 p.m. (ET), pursuant to Local Rule 9006-1(d), the deadline to file a reply to the Objection was February 12, 2023 at 4:00 p.m. (ET) (the “Reply”)

Deadline). Given the Extended Objection Deadline, it was simply not possible for the Committee to file the Reply prior to the Reply Deadline. Moreover, in connection with the Committee's extension of the Objection Deadline, the U.S. Trustee consented to the Committee filing the Reply after the Reply Deadline.

4. In light of this, the Committee respectfully requests that the Court enter the Proposed Order, granting the Committee leave and permission to file the Reply. The Reply is being filed in support of the Application and to respond to the various factual and legal arguments raised in the Objection. Among other things, the Reply sets forth the reasons why the arguments raised in the Objection should be overruled and the relief sought in the Application should be granted. The Committee submits that the Reply will assist the Court in considering the Application and the Objection, and will provide additional background and support for the relief requested in the Application.

WHEREFORE, the Committee respectfully requests that the Court enter the Proposed Order, granting it leave and permission to file the Reply and such other and further relief as the Court deems just and proper.

Dated: February 13, 2023
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Robert F. Poppiti, Jr.
Matthew B. Lunn (No. 4119)
Robert F. Poppiti, Jr. (No. 5052)
1000 North King Street
Wilmington, DE 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253
Email: mlunn@ycst.com
rpoppiti@ycst.com

-and-

PAUL HASTINGS LLP
Kristopher M. Hansen*
Luc A. Despins*
Kenneth Pasquale*
Erez E. Gilad*
Gabriel E. Sasson*
Samantha Martin*
200 Park Avenue
New York, NY 10166
Telephone: (212) 318-6000
Facsimile: (212) 319-4090
Email: krishansen@paulhastings.com
lucdespins@paulhastings.com
kenpasquale@paulhastings.com
erezgilad@paulhastings.com
gabesasson@paulhastings.com
samanthamartin@paulhastings.com

*Admitted pro hac vice

*Counsel for the Official Committee of
Unsecured Creditors*